

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO**

IN RE:

**MOTEL TROPICAL INC.
Debtor**

**CASE NO. 16-00966(BKT)
Chapter 11**

:

COMPLIANCE AS TO THE STATUS REPORT

TO THE HONORABLE COURT:

COMES NOW, Debtor in possession, represented by its undersigned counsel and very respectfully states and prays.

1. Debtor filed for relief pursuant to the provisions of chapter 11 of title 11 USCA on February 11, 2016.
2. The 341 hearing was held and closed on March 21, 2016.
3. Debtor is an entity incorporated on November 4, 1998, pursuant to the Laws of the Commonwealth of Puerto Rico Registry number 103, 982.
4. Debtor in Possession manages a motel business which is incorporated located at Carr 2.KM 110.7 Ave. Militar, Isabel P.R. 00662. The property on which the Debtor operates is leased to Manuel Gonzalez Valeting and the debtor is current with the rent payments.
5. There is also another related entity which filed for protection B & D Enterprises S.E. (Case #16-00978(BKT). Mr. Manuel Babilonia and Milta Cortes also filed for relief case number Bk.16-01148(BKT)
6. As the financial conditions deteriorated, the income of the business languished. Motel Tropical is a co-debtor to the moneys disbursed to Banco Popular, who filed a foreclosure proceeding against Motel Tropical Inc., B & D Enterprises S.E. and Ceda Media Inc. and Mr. Manuel Babilonia and Milta Cortes..
6. Thus the debtor decided to file for protection under the Bankruptcy code, in order to restructure its business operations and or consider other

alternative to the rehabilitation of the business. The sale of certain properties belonging to the other co-debtors and which are encumbered with liens to originally Wester bank now Banco Popular. It is anticipated that certain of the properties if sold would be sufficient to satisfy the secured claim of the Bank and thus may provide the means to reorganize the debtors and its related entities.

7. Debtor business plan under the protection of the bankruptcy court is outlined as follows: the debtor will continue its hotel operation, and upon the sale of properties of the related entities it understand that it will be released of any obligation to Banco Popular.
8. The Debtor is not a small business as defined by the Bankruptcy Code.
9. The plan and Disclosure Statement will be filed no later than June 18, 2016.
10. The present case is not anticipated to be a complex case; Counsel anticipate that attorney fees in an amount of no less than \$20,000.¹ Debtor has not yet file the appointment of the accountant who will be responsible for the financial information required by the Disclosure Statement and any other financial services including the preparing and filing of the Monthly Reports of Operation and Tax Returns as required by law.
11. The undersigned counsel does not anticipate significant events in this case and understand that there is no need for further status conferences.

WHEREFORE Debtor in Possession request that the present motion in compliance be noted and for any other and further relief as it may seem just and proper.

RESPECTFULLY SUBMITTED

¹ Application for employment of counsel was filed on March 7, 2016 (docket 14) and approved pero order dated April 7, 2016(Docket 25)

In San Juan, Puerto Rico, this 2d day of May 2016

I HEREBY CERTIFY that on this same date I electronically filed the foregoing through the CM/ECF System, which will send notification of such filing to the US Trustee and the parties therein registered to receive Notice and by regular US Mail to the creditors as per matrix list attached to this motion.

S/ Isabel M Fullana
Counsel for debtor in Possession
252 Ponce de León Ave.
Suite 1101
San Juan, Puerto Rico 00918
Email isabelfullana@gmail.com
Tel. 787 766 2530
Fax-787 756 7800